

Agenda

**Executive Committee
January 23, 2012 - Noon
Scott Heyman Conference Room**

- I. Call to Order
- II. Review Agenda
- III. Approval of Meeting Notes - September 6 and November 28, 2012
- IV. ProAct Identification Cards
- V. Contraceptive Coverage
- VI. Adjournment

Meeting Notes
Greater Tompkins County Municipal Health Insurance Consortium
Executive Committee
September 6, 2012
1:30 p.m.

Attendees: Don Barber, Steve Thayer, Liz Karns, Members; Joe Mareane, County Administrator; David Squires, Finance Director; Steve Locey, Locey and Cahill; Jerry Mickelson, Ciaschi, Dietershagen, Little and Mickelson; Michelle Pottorff, Administrative Clerk

Excused: Judy Drake

Mr. Barber called the meeting to order at 1:30 p.m. He said the purpose of the meeting is to address comments made during his meeting last week with Mr. Lovejoy and staff at the New York State Department of Financial Services (hereinafter referred to as the "Department") about the Consortium's filings. It was stated at that meeting that the reason the Consortium will be getting an audit is because of those filings. It was further stated that until there is an actuarial report they will conclude that the Consortium is deficient based upon the contents of the filings, specifically in the Contingency Reserve and the IBNR (Incurred But Not Reported).

Mr. Locey said the report did state that the Consortium had a negative balance in the amount of \$114,000 at year-end, therefore, the Department would determine the Consortium was insolvent at the end of 2011. He stated the Department views the negative balance to be higher than this because they agreed to an IBNR that was equal to 12%. When the Consortium submitted the data it was 12% of annualized paid claims; however, when the reports were submitted they said the number had to be on an accrued basis so it had to be incurred claims.

Mr. Locey said every group that has come under Article 47 started out mature so when they began submitting their paid claims figures this was basically the same as their accrued claims number because they had been operating for several years. In the Consortium's first year there were no prior claims and only had claims that were incurred in 2011 and paid in 2011 and this is how the data was submitted. Once the Department rejected this and required that everything be switched to accrued accounting this was done in addition to recognizing the full IBNR which Mr. Locey believes was counting the IBNR twice. Mr. Locey said he strongly believes the Department will not approve an amount for incurred claims plus expenses that is lower than 12%.

Mr. Mareane referred to the Audit Report and said it showed the Consortium having a negative balance of \$114,000 and commented that although a negative it comes very close in a budget of \$26 million. He asked how the Department would define the Consortium's shortfall. Mr. Locey said the Department would view the shortfall as being \$600,000 instead of \$114,000 and they would then want the Consortium to assess members for this amount.

Mr. Barber said in his conversations with the Department they did not hold fast to the 12.5%; they stated they are looking for a report from an accredited actuary to do an analysis on what the IBNR should be. Mr. Mareane asked if an actuarial report is included in the Scope of

Services with Locey and Cahill; Mr. Locey said it is not and commented there are many things Locey and Cahill are doing for the Consortium that are outside the Scope of Services. Mr. Barber said even though an actuarial report is outside the Scope of Work for Locey and Cahill it should still be brought to the Board of Directors as it is required under the filing and is work that needs to be done. Mr. Mickelson said the actuarial report is done in draft but has not been issued with a signature. Mr. Locey said that is correct; the report states \$2.3 million (9.4%); the Consortium was told that it had to have 12%. In the year-end report they are still looking for 12%.

Mr. Locey read from an e-mail dated August 23rd he received from Mr. Lovejoy in which Mr. Lovejoy stated he: "could not verify the claims payable reserve at \$2.6 million as reported on the annual report and that approval was granted to reduce this reserve fund to 12% of the current year's incurred claims and expenses. My review indicates that the reserve is significantly less than 12%". Mr. Barber said Mr. Lovejoy stated that since there is no actuarial report that he has nothing else to go by to determine what the IBNR figure is. Mr. Locey said an actuarial report will be submitted but does not believe 12% will be accepted.

Mr. Mickelson suggested that when the second quarter report goes through that it should show accrue the whole 12% of total expenses and this would satisfy all of the questions.

Mr. Barber said he asked about the Contingency Reserve and the Department was very clear this is not based on total revenue. It is based on premium; therefore, the number that was filed with the year-end report is higher than it needs to be which means the deficit is closer to \$77,000. Mr. Locey clarified that the correct term for this account is the Surplus Account. Mr. Barber said when the State does the audit they will likely ask the Board to do an assessment of its members to make up the difference. The Department sees the difference being approximately \$.5 million because they still do not agree with the \$2.6 million figure that was listed as the claims payable reserve. Mr. Barber referred to the quarterly statement ending June 30th and said there are problems with how information was entered into the document.

Mr. Locey summarized at the end of 2011 the Consortium had a negative balance in the amount of \$114,000. If the Department requires the Consortium to correct the \$2.6 million IBNR Reserve to \$3.1 million the deficit will be \$.6 million. Mr. Locey stated that even if the shortfall in 2011 was \$.6 million this has already been made up in 2012 with revenues exceeding expenditures. In 2012 the IBNR is \$3.14 million, the Contingency Reserve is \$1.438 million. After taking these into account the Consortium is still showing a Fund Balance of \$1.5 million. Mr. Locey said up until now they have not forced any group to assess its members or forced any group to discontinue operations.

Mr. Locey distributed document examples and reviewed the process that is used in compiling information for the annual report. Mr. Barber said when he spoke with the Department they offered to review the information presented in the report to make sure everything has been entered correctly. From the discussion he inferred that some of the money included in column B that is paid during the year is not supposed to include money that was paid during the year that was from the prior year; those amounts should be included in Section 1 - column C. Mr. Barber said getting clarification on the definitions is needed

because when they see \$2.3 million in Exhibit 2 - column F (Total Claims Paid During the Year and Claims Unpaid at End of Current Year on Claims Incurred in Previous Years), and \$1.5 million in Exhibit 2 - Column G (Estimated Liability of Unpaid Claims at End of Previous Year), they conclude that the Consortium has not gained enough in premium for its Reserve.

Mr. Locey reviewed the numbers contained within the report:

Section 1 B: \$12,372,524: "Paid During Year". This includes total claims paid incurred in 2011 and 2012;

Section 1 C: \$ 1,505,047: "Unpaid Prior Year". This claims incurred in 2011 that were paid in 2012.

Section 1 D: \$ 3,140,400: "Unpaid Current Year". This is the estimate for the IBNR.

Mr. Barber said it is his understanding that paid and during the year includes paid during the year for 2012 claims; however, this is something that needs clarification from the Department. Mr. Barber said Section 1 Column C should reflect the IBNR at the end of calendar year 2011 not June 30, 2012.

Mr. Mickelson said based on previous comments by Lou Siminetti who used to work for the Department, Exhibit 2 is supposed to be based on performance reports and not checkbook numbers and for this reason he uses percentages. Mr. Locey said that is part of the problem with the filling out the report. Mr. Barber said based on his discussion with Mr. Lovejoy the Department would accept percentages in quarterly reports but wants an actuarial report at the end of the year.

There was a discussion of rates for 2013. Mr. Mareane spoke of how close the budget is and suggested planning for rates at 9.5%. Mr. Locey said he was hoping for less but is inclined to be more conservative. Ms. Karns expressed concern that there are costs for work Locey and Cahill is doing that are not being paid for and that the Consortium is running too lean. Mr. Locey said he thinks part of the problem is that the Consortium has taken on too much work in its first year and half. There are three requests for proposals that have been issued, requests by other municipalities to join, and work is still being done to get up to speed with the Department of Financial Services.

The question was raised as to whether the Consortium should build into its premium an assessment of its members based on a deficit in the first year now that it appears the deficit has been recovered in 2012. Mr. Locey said in his opinion since the IBNR is covered and there is a surplus account the Consortium is not insolvent. The problem is that the Department does not agree with the IBNR number. Mr. Mareane said if the rates were left at 9% and there was extra money the Consortium could begin to pay back the Capitalization Reserve. Mr. Locey commented that the Department forced the Consortium to have the Capitalization Reserve and now they want it to be shown as a liability. Mr. Barber noted that the agreement stated that if and when the Consortium had the funds it would be paid back, however, it is not a liability because there was no absolute guarantee given that those funds would be paid back.

Mr. Barber said the numbers reported need to be revised to accurately reflect what is going on and the idea of 12% goes away when there is an actuarial report at year-end. Mr. Locey said although he agrees they need an actuarial report the Department is not going to automatically accept the number approved by the actuary. The only reason they want the actuarial report is to validate the 12% or give them a reason to raise it. He does believe they will be comfortable with the 12% and commented that everyone else is at 17%.

Mr. Mareane summarized that based on 2012 results the Consortium can cover \$3.1 million and can also attest that the in 2012 enough revenue is being generated that the 2011 shortfall has been covered and reserves meet the required level thereby removing the insolvent status. Mr. Locey agreed with this statement.

For purposes of the next report that is due now Mr. Locey will correct the IBNR figure and send the Excel file to members for review. He asked if submission of the report will include why and how numbers have been changed since the last submission. It was agreed that a formal letter should be prepared that explains the change is in how the numbers are being reported.

It was also agreed that an actuarial report will accompany the 2011 year-end report. Mr. Locey asked if the amendment would be made on the Contingency Reserve as well because it is overstated. Mr. Barber recommended that this be done and that it based on premiums and not on total revenue and the deficiency is \$77,000 and not \$114,000. Mr. Locey noted this will require a change in the Audit.

A question was raised on how to report the interest accrued on the Capitalization Reserve that has been accrued as an expense and a liability. Mr. Barber said members of the Consortium understand that the Contingency Reserve has to be met and the only way to do that was by cash that was put into it. They are expecting at some point in time when there is enough cash reserves to be paid back. They are also expecting that if there is not enough reserves that they will receive an assessment and this is something he would like to avoid.

Mr. Locey will have an amended quarterly report into the Department by the end of next week with the actuarial report. He will e-mail the Excel file tomorrow to members that was used to build the second quarter report with revisions. It was also agreed Mr. Locey will send Mr. Mickelson the first two quarter reports so he can review and assure that information being reported is consistent. Mr. Locey said if the surplus calculation is being changed there will also have to be a re-filing of the year-end report that will included the Audit report being revised to reflect this information. The Audit will be pulled from the website and reposted when revised. Mr. Locey will re-circulate the annual report to ensure everyone is in agreement with its content.

Adjournment

The meeting adjourned at 3:03 p.m.

Meeting Notes
Greater Tompkins County Municipal Health Insurance Consortium
Executive Committee
November 28, 2012
3:00 p.m.

Attendees: Don Barber, Steve Thayer, Liz Karns, Judy Drake, Joe Mareane, County Administrator; David Squires, Finance Director; Michelle Pottorff, Administrative Clerk

Mr. Barber called the meeting to order at 3 p.m. for the purpose of reviewing the Consultant's performance specifically with regard to the Consortium's financial filings with the New York State Department of Financial Services. Mr. Barber presented background information relating to the communications between himself, the Plan Consultant, Locey and Cahill, and the Department of Financial Services and concerns that have arisen over the past year.

Following a lengthy discussion the Committee acknowledged Locey & Cahill does a lot of good work for the Consortium; however, it would be in the best interest of the Consortium if the financial reporting to the Department of Financial Services was excluded from the contract with Locey & Cahill with those services contracted for separately with another firm. Information was presented at this time on The Bonadio Group, a consulting firm that is very familiar with Article 47. It was also the consensus that The Bonadio Group should perform work electronically to the greatest extent possible and be requested to receive prior approval for any expenses that would be incurred outside of the financial reporting, such as travel expenses.

It was the consensus of the Committee to move forward with a recommendation to the Board of Directors at its December 20, 2012 meeting to amend the existing contract with Locey & Cahill and to authorize Mr. Barber to sign an agreement with the Bonadio Group for the specific purpose of completing financial reporting to the State Department of Financial Services. It was noted that Locey & Cahill provides services to the Consortium that are outside of the scope of the contract and has not requested additional compensation; therefore, the Committee did not wish to reduce the amount currently paid to Locey & Cahill under the current contract.

Adjournment

The meeting adjourned at 3:45 p.m.



Municipalities building a
stable insurance future.

125 East Court Street
Ithaca, NY 14850
607-274-5590
INFO: HinsConsort@tompkins-co.org
www.tompkins-co.org

January 11, 2013

Dear Consortium Board of Directors,

There has been a bit of confusion among our employees and retirees about the new Prescription Benefit card from Pro-Act. As you can see in the attached copy of the ProAct card, the new prescription drug card resembles a Kinney Drug customer card rather than a more traditional drug card. (ProAct is a subsidiary of NYS-based and employee-owned Kinney Drug.)

Because of its appearance, when the card arrives, some may mistake it for a retail promotional item and perhaps discard it, others may wrongly believe that prescriptions can only be filled at Kinney Drug. I have attached some testimony on employee concerns and Steve Locey's communications for background to your thinking.

We have had extensive conversations with Steve Locey about this, and he has communicated with ProAct. ProAct has indicated its willingness to be flexible, but believes the dual purpose of the card provides added value to users and also notes that at least ten of its major institutional customers have issued cards identical to ours.

Steve Locey advises that we have three options regarding the card:

1. Leave the situation as it is and handle calls/complaints as they are received; or
2. Do not issue new identification cards, but have ProAct send a letter to members addressing the Kinney Pharmacy Value Card, making it clear that members are free to purchase their medications at any participating pharmacy location; or
3. Have ProAct issue new identification cards without the Kinney Pharmacy Value Card on the back.

Of the options listed by Mr. Locey, the first is playing out until and unless we take action. If we do consider taking action, it is either number two or number three. My understanding is that number three isn't completely accurate. I believe that anyone who wants to apply at Kinney Drugs for the discount afforded by this card can do so.

Finally, my take on this: while much of the confusion has or will have taken place before a change can be made to the card, I have a real problem with our benefit card serving as an advertisement for a private sector company.

I need you, as a Director, to weigh in on which of the three options you would support. If have any other comments-- like you accept #1, but strongly support #2-- please share that with the rest of the Board. Michelle will summarize your input and then we will call for a final vote if there is not a clear direction. Thank you for your time and consideration of this important issue.

Sincerely,

Don Barber
GTCMHIC Chair

Dear Consortium Board of Directors,

There has been a bit of confusion among our employees and retirees about the new Prescription Benefit card from Pro-Act. Below is background information

A sample of the confusion is below from two email messages from Anita Fitzpatrick

1. She contacted her doctors about the change in prescription drug vendors for her plan and provide them with the information. She needed a new prescription from one doctor and that office sent the prescription to Kinney Drugs (which is not her usual pharmacy) and told her she could go there to fill it. She went to Kinney Pharmacy and gave them her new prescription drug card. They said she could only get a 30 day fill per visit unless she had a second ProAct card(see attached) that was available to Tompkins County residents for an additional discount. They gave her a 90 day fill for \$12.00. She said the drug is the generic for Flexirel (sp?). I assume that was the total cost of the 90 day supply since we have a \$5.00 co-pay for every 30 day fill at retail.
2. I know there will be more discussion with the full Board of Directors and ProAct on the Kinney Value Card on one side of the prescription drug card for ProAct. However, my experience since the cards were issued is that it created unnecessary confusion for employees and retirees. Brooke and I have had inquiries from retirees about when they will get their card because they threw out the one issued thinking it was just a Kinney Value card promotion. Some have been inquiring (and confused) about whether they have to change pharmacies since they can now only go to Kinney for drugs. One person called because they don't have Kinney Pharmacies where she lives (not sure where or if that is true) so she didn't know how to get her drugs. I think we may have also heard from a pharmacy or two who wants to know why the association of ProAct to Kinney Drugs is so prominently displayed on the prescription drug card. I am sure you have heard about all of these, but wanted to highlight our experience. I am less interested in NYSAC's opinion or whether other consortiums who use ProAct have experienced or not experienced similar issues. To me, it is simple. The drug card is a separate and distinct document from a Kinney's Value Card and should be separated. It might turn out to be minor after things calm down, but it does seem inappropriate to connect the two.

Next are two email communications to me from Steve Locey on this topic:

I have been in communication with our Consultant and Pro-Act. See emails text below:

Attached is the sample card Pro-Act shared with us during the implementation process. All of the pertinent information concerning the prescription drug benefits is on the front of the card. The logo on the back is relative to the Kinney Drug Value Card which gives members a discount if they are in a Kinney Drug location.

It is our understanding that the letter and the brochure included with the identification card clearly noted that Pro-Act was the new Pharmacy Benefit Manager and that members could use any network

pharmacy. In fact, we have attached a sample brochure which was developed specifically for the Consortium which clearly lists the pharmacy network.

We have copied Pro-Act with this e-mail so that they can address the concerns noted below. We will be in further discussion and we will see what can be done to eliminate the confusion. Thank you for bringing this to our attention and we will get back to you shortly. In the meantime, please let us know if you have any additional questions or if we can be of any further assistance.

Second message also from Steve:

Don:

We realize we have not finalized the matter of concern regarding the ProAct identification cards and the presence of the Kinney Pharmacy Value Card on the back of said identification card. We have researched this matter further with ProAct and offer the following for your consideration:

1. ProAct has confirmed that this is an added benefit for members which gives them additional discounts in a Kinney Pharmacy and in no way requires them to utilize a Kinney Pharmacy
2. ProAct currently has the following municipal clients who are utilizing ProAct identification cards with the Kinney Pharmacy Value Card on the back:
 - a. Baldwinsville Central School District
 - b. Centro
 - c. City of Oswego
 - d. City of Plattsburgh
 - e. Madison County
 - f. North Syracuse Central School District
 - g. Oneida County
 - h. Onondaga County
 - i. Oswego County BOCES
 - j. South Jefferson Central School District

In terms of possible solutions, at this point in time, we feel there are three options available to the Consortium:

1. Leave the situation as is and handle calls/complaints as they are received; or
2. Do not issue new identification cards, but have ProAct send out a letter to all members addressing the Kinney Pharmacy Value Card making it very clear that this is an added benefit and that members are free to purchase their medications at any participating pharmacy location; or
3. Have ProAct issue new identification cards without the Kinney Pharmacy Value Card on the back resulting in the covered members losing the discount program.

We understand and appreciate the concerns expressed. However, with the number of municipalities who already were utilizing identification cards with the Kinney Pharmacy Value Card on the back, we did not view this as in issue during the implementation process. ProAct has indicated that they are happy to address this matter as directed by the Consortium as they want to be sure the municipalities and the covered members are receiving the materials and services they deserve and expect.

We have attached the welcome packet which covered members received along with a sample identification card for everyone's review and reference in this issue

As always, please let us know if you have any questions regarding this matter or if we can be of assistance of any kind.

Thank You,

Steve Locey



From: ProAct, Inc.
Subject: Plan Updates
Date: 1/1/2013

Dear Member,

On behalf of the entire staff at ProAct, Inc., I would like to take this opportunity to personally welcome you as a new member. We are thrilled to have you with us. Enclosed please find your new prescription ID card.

At ProAct, Inc. we pride ourselves on offering our customers with responsive and professional customer service. If you have any questions, please contact our toll-free customer service helpdesk which is available Monday – Friday, 7 am – 8 pm; and Saturday, 8:30 am – 5:00 pm EST at 1-877-622-8440.

Beginning January 1st, 2013 your new prescription ID card must be shown at the pharmacy for any refill or new fill to ensure that they are able to process your prescription correctly.

As a reminder, if you are shopping at a Kinney Drugs store you can present your prescription card to the cashier at the time of purchase and receive a 15% discount on all Kinney Premier Value brand products except food and beverage items or items on sale.

Sincerely,

Ellen Bernardon
Director of Client Services
ProAct, Inc.



Great News for Greater Tompkins County Municipal Insurance Consortium Employees!

Your Prescription Plan will be administered by ProAct, Inc., a subsidiary of Kinney Drugs starting 1/1/2013.

Some of the questions you may have are answered below:

Are the Prescription Plan benefits changing on 1/1/2013?

- ✓ **NO**, your prescription plan benefits will remain the same; only the company administering the Plan is changing.

Is there anything I have to do differently at my local pharmacy on/after 1/1/2013?

- ✓ **YES**, it is very important to show the pharmacy associate your new prescription ID card the first time you pick up a prescription on 1/1/2013 and after. Your prescription plan information will be on your new prescription ID card which will be distributed to you before 1/1/2013.

If I have refills left on my prescription at my local pharmacy, do I have to get a new prescription from my doctor?

- ✓ **NO**, if you have refills left on your prescription after 1/1/2013, simply order your refill as usual and show the pharmacy associate your new ID card when you go to pick up your prescription.

Where can I go to get my prescription filled?

- ✓ You may use the same pharmacy you use now. ProAct's pharmacy network includes over 65,000 pharmacies nationally, including the major chain pharmacies, independent pharmacies and grocery store pharmacies.

If I use the mail service now for my maintenance medications, do I have to get a new prescription from my doctor?

- ✓ **YES**, if you are using the current mail service, you will need to get a new prescription from your doctor to use for the new mail service. ProAct's mail order service pharmacy is Health Direct Pharmacy Services. Forms for the new mail service are available by calling ProAct's helpdesk or on the website at www.healthdirectpharmacy.com. Each time you send a prescription to Health Direct to be filled or order a refill, you will receive a new form with your prescription.

Is there a benefit to me if I ask my doctor for a generic medication?

- ✓ **YES**, not only do you pay less for generic drugs, but generic drugs must provide the exact same relief from your symptoms as the brand name medication by FDA standards. Always check with your doctor or pharmacist for a generic alternative.

Is there a number I can call if I have questions about this change?

- ✓ **YES**, you may call the ProAct Helpdesk toll free at 1-877-635-9545 or contact us through the website at www.proactrx.com. This information will also be on your new Rx ID card.

Will I receive my new identification card before 1/1/2013?

- ✓ **YES**, you will receive a new ID card in December.

1-877-635-9545



2121 Main St Pharmacy
Adirondack Pharmacy
Akron Pharmacy
Alberty Drugs
Alden Pharmacy Inc
Alfred Pharmacy Inc
All-Script Pharmacy
American Home Respiratory Care Inc
Amsterdam Memorial Phcy Svcs
Anadale Family Pharmacy
Anthony Brown Pharmacy
Appalachian Pharmacy
Apple Community Pharmacy
Arrochar Pharmacy
Associated Healthcare
Aumillers Pharmacy Inc
Avery's Pharmacy Inc
Bailey Pharmacy
Bainbridge Pharmacy Inc
Balaji Targee Pharmacy Corp
Bartholomews Pharmacy
Bartles Pharmacy Inc
Bassett Healthcare Op Phcy
Batavia VAMC
Becker Pharmacy
Beekman Pharmacy
Bolton's Pharmacy Inc
Brooks
Browns Rx Pharmacy
Buffalo Pharmacy
Camp Road Pharmacy Inc
Canal Town Drug Co
Canales Pharmacy
Castle Point Vance
Catskill Pharmacy Inc
Cattaraugus Indian Reservation
Chazan Pharmacy
Chittenango Pharmacy
Cleve Hill Drug
Clinton Pharmacy Inc
Colella Corner Drug Store
Colonial Pharmacy of Whitesboro Inc
Community Pharmacy Inc
Condo Pharmacy Inc
Copake Pharmacy
Corner Drug Store
Costco Pharmacy
Crowes Drug Store
Cuba Pharmacy
Cutie Pharma-Care Inc
CVS Pharmacy
Cy's Elma Pharmacy
Dedricks Pharmacy
Del Negro Pharmacy
Denvyter Pharmacy
Dexter Drugs Inc
Dobbins Drugs
Dongan Hills Pharmacy
Dougherty Pharmacy
Drug World of Amentia LLC
Drug World of Cold Spring LLC
Drug World Pharmacy

Dunns Drug Store
East Park Pharmacy
Ellicottville Pharmacy
Ellington Pharmacy
Elingville Pharmacy Inc
Esquire Drug Inc
Fairbanks Pharmacy
Falls Pharmacy
Family Care Pharmacy Inc
Familymeds Pharmacy
Fari's Pharmacy Inc
Feek Pharmacy
Fillmore Pharmacy
Fisher Pharmacy
Forsters Pharmacy
Fox Care Pharmacy
Freysburg Pharmacy
Friendship Pharmacy
Galen Pharmacy Department
Garros Drug Store
Geroulds Professional Phcy Inc
Gifford & West Pharmacy Inc
Glenns Pharmacy Inc
Gold Star Pharmacy
Gowanda
Greene Medical Arts Pharmacy
Gu Markets LLC
H.I.P. Pharmacy Service
Hamburg Pharmacy Inc
Hannaford Food and Drug
Harrison Center Pharmacy
Harrison Pharmacy
Health Direct Phrmy Serv
Hendersons Drug Store
High Street Prescription Ctr
Higigate Prof Pharmacy Inc
Hill Drug Store
Hillman Health Center Pharmacy
Holland Patent Pharmacy
Holland Pharmacy Inc
Holley Valu Rite Pharmacy
Hometown Pharmacy
House Calls Pharmacy
Ivkey Pharmacy
Ivylea Drugs Inc
Jefferson Heights Pharmacy
JND Pharmacy Inc
Johnsons Village Pharmacy Inc
Keesville Pharmacy
Kenmore Rx Center
Kinross Medicine Place
Kinney Drugs Inc
Kmart Pharmacy
Lagrange Pharmacy
Langer Phcy of West Hurley
Langes Pharmacy
Larwood Pharmacy Inc
Lennox Bros Pharmacy
Lina Pharmacy
Lincoln Pharmacy
Lindsay Drug Company
Livonia-Lakeville Pharmacy Inc
Lyncourt Drug
Macleod's Pharmacy
Madison Avenue Pharmacy
Maggie Pharmacy Inc
Main Street Phcy of Marcellus Inc
Maple City Pharmacy
Marian Medical Pharmacy
Marion Pharmacy Inc
Marraz Pharmacy

RMH Retail Pharmacy LLC
Rosebank Pharmacy
Rosenkrans Pharmacy
Royal Pharmacy
Rx City Pharmacy Inc
Sams Pharmacy
Saratoga Pharmacy
Schells Red Cross Pharmacy
Schroon Lake Pharmacy
Service Pharmacy
Sherman Pharmacy
Shoppers Prescription Center
Shorrite Pharmacy
Sinclair Pharmacy
Slocum-Dickson Pharmacy Inc
Smith Street Pharmacy
Snyder Pharmacy Inc
Southside Pharmacy
Southtowns Medical Pharmacy LCP
Springcreek Pharmacy
Stop and Shop Pharmacy Co
Tags Pharmacy
Target Corporation
The Care Center Pharmacy Inc
The Drug Shoppe Inc
The McGuire Group Pharmacy
The Medicine Center
The Pharmacy
The Prescription Shop
The Village Pharmacy
Thorp's Pharmacy Inc
Tile Pharmacy
Todd Hill Pharmacy Inc
Tompkinsville Pharmacy Inc
Tops Pharmacy
Transit Hill Pharmacy
Tri-Pharm Drugs
UMM Pharmacy
Union Medical Pharmacy
Univ Rochester Lte Phcy
Valley Pharmacy
Value Village Inc
Vic Vena Pharmacy
Village Pharmacy
Vincent's Pharmacy Inc
Vogel Pharmacy
W.A.B. Drug
Walgreen Drug Store
Wal-Mart Pharmacy
Wanakah Pharmacy
Warrens Pharmacy
Water Street Pharmacy Inc
Wayne Pharmacy
Wayne-Clifton Pharmacy Inc
Wegmans Pharmacy
Weis Pharmacy
Wellmart Pharmacy
West Brighton Pharmacy
Whitson Pharmacy
Williamson Pharmacy LLC
Wilson Community Phcy Inc
Windham Pharmacy
Wolcott Village Pharmacy Inc
Woodmark Pharmacy
Woodrow Pharmacy

Greater Tompkins County Municipal Health Insurance Consortium GTCMHIC Prescription Drug Benefit

*This is not a complete listing of every pharmacy in the network.
If your pharmacy is not listed please call the ProAct helpdesk at
1-877-635-9545 to confirm that your pharmacy participates.*

National Participating Pharmacies

Besides the retail drug chains listed above, the Pharmacy Network includes over 18,000 independent pharmacies. Please call 1-877-635-9545 to find out if your independent pharmacy participates in the program.

1-877-635-9545

Frequently Asked Questions

When does this plan go into effect?

January 1, 2013

How does the plan work?

- 1. When you receive a prescription from your doctor take it to your local pharmacy to be filled.
- 2. When you drop off the prescription, make sure to give the pharmacy employee your new Rx ID card.
- 3. The pharmacist will fill the prescription, give you the medication, and charge you the appropriate co-pay.

What if I want to call in a refill?

If you call in a refill, make sure to speak to a pharmacy employee to let them know that there has been a change in your insurance. When you go to pick up your prescription you will need to present your card to the pharmacy employee.

Where can I go to get my prescription filled?

ProAct has a pharmacy network of over 65,000 pharmacies nationwide. This includes all major chains and many independent pharmacies. The back of this pamphlet includes a partial list of the chains that participate.

Is there an advantage for me to use a Kinney Drug store?

Yes, GTCIC members may use their Rx ID cards at any time to receive a 15% discount on all Premier Value products at Kinney Drug Stores.

How do I access the member portion of the ProAct website?

- Go to www.proactrx.com
- Choose the Member Services tab on the left hand side of the screen
- "Click Here To Get Started", and you will be directed to a Customer Login screen where you will set up your own user name and password

Prescription Co-Pays

Your benefits will remain the same.

For questions regarding your specific copays please contact your Employer.

Refill Too Soon Limitation:
You may not refill a prescription until at least 75% of the days supply has passed. (i.e. if you have a 30 day supply of a medication you can not refill that prescription until at least 23 days have passed.)

ProAct, Inc.
1230 Route 11
Gouverneur, NY 13642
Fax: (315) 287-7864
Phone: 1-877-635-9545
support@proactrx.com

Mail Service

Can I order my maintenance prescriptions through the mail?

Yes, you have the option of ordering your maintenance medications through ProAct's mail service, Health Direct Pharmacy Services. Maintenance medications are medications you take every day for an indefinite period of time. If you are not sure if your medication is considered a maintenance medication, please call the ProAct helpdesk.

What is the benefit of using Mail Service?


If you are taking a maintenance medication you can get a 3 month's supply delivered directly to your home.

How do I get started?

Call a help desk representative at Health Direct using the toll free number at 1-866-287-9885 to set up your mail service profile. You will need a new prescription from your doctor to begin using the mail service. Your doctor can e-prescribe, call in or fax your prescription to Health Direct Mail Order Pharmacy Services. You can also mail your prescription along with your profile form which is available by calling the ProAct or Health Direct helpdesks or online at www.healthdirectpharmacy.com.

Please note that there are no shipping and handling costs when you order through the mail. Unless you request Express or Overnight delivery, you should only pay your appropriate co-payment for mail service prescriptions.

Front of Identification Card

Greater Tompkins County Municipal Insurance Consortium		
MEMBER NAME: JANE	DOE	
MEMBER ID: 123456789		
Submitted Group # GTC	Bin # 610494	PCN # 9999
ProAct Pharmacy Helpdesk: 1-877-635-9545		
Mail Order Pharmacy - Health Direct Pharmacy 1-866-287-9885 or www.healthdirectpharmacy.com		
VALUE CARD NUMBER: Text Field		
		
This card covers the insured and their eligible dependents Administered by ProAct, Inc.		

Back of Identification Card



Responses to Survey of Board of Directors Re: PBM ID Card

Option 1

We are fine with #1. I do agree with Don that advertising for Kinney in this way is inappropriate and when issued again all cards issued should be changed.

Kathy Miller Town of Lansing

I suggest that Option 1 is the best of the presented alternatives with the provision that at the next scheduled time for card renewals they be formatted more vendor neutral.

Mack Cook, City of Cortland

Option 2

I would do option #2. Employees should have been expecting a new card and I believe it came in a ProAct envelope. I don't believe issuing new cards is necessary.

Glenn Morey, Town of Groton

I guess that we should do maybe option #2 at the most. Employees should have been expecting a new card and I believe it came in a ProAct envelope. My switchover at the pharmacy went without a flaw. I don't believe issuing new cards is necessary.

Chuck Rankin, Village of Groton

I would be in favor of option 2.

Lucia Tyler, Town of Ulysses

I am strongly in favor of option #2. Re-issuing cards in any different format only runs the risk of further confusing employees, some of whom will undoubtedly think that there has been ANOTHER change of insurance carrier just a few weeks into the new year.

Rordan Hart, Trumansburg

From the City's standpoint I think we would like to see a letter go out explaining the situation, but not to issue new cards at this point. A new card issue at this point would make it even more confusing. Maybe next year issue a revamped card, but not this year. We have addressed a lot of the issues here with the change and things seem to be calming down nicely.

Steve Thayer, City of Ithaca

The volume of calls has diminished significantly. Brooke has addressed each subscriber complaint/confusion individually and we are not aware that any TC3, Library, County, or retiree subscriber is having a current problem using the ProAct card. Our recommendation on behalf of the County's plan is to leave the situation as is and not re-issue new cards at this time. Any new cards issued should have Kinney Value Card reference deleted. Any customer of Kinney Drugs can get a Value Card separately and distinctly from the County's prescription drug card.

This office will continue to handle any inquiries on an individual basis with the subscriber/participant.

Anita Fitzpatrick, Tompkins County

Option 3

I support Number 3. I thought we talked about this before and decided we did NOT want the card set up like it is. I have been fielding complaints from my current working members and their families, retirees

and widows. I find Option # 1 totally unacceptable.

George Apgar

I vote for option #3.

Herb Masser, Town of Enfield

Issue new cards with letter of explanation. Also I heard that a couple of our retirees threw away the card thinking it was a store card that they didn't need. If that could go into my vote comment it would be helpful.

Liz Karns

I support #3 as our course of action at this time.

Chantalise DeMarco

My feeling about this situation is that I do not believe that our insurance cards should have a private company advertising on one side. I feel that this could give an impression of endorsement of one business over another and that is not what the consortium has ever been formed to do. I do not feel that we should ever give that impression and that the consortium should always be looked at as having a very positive reputation in all areas of business in the community. Even though we did not know that this card would go out this way and we had nothing to do with Kinney Drugs being put on the back of the card, the perception could still be a negative one in the eyes of some in the community. It may be easy for me to say because the Town of Danby is so small, but I feel that new cards should be issued to show that the consortium is correcting this situation. At the very least, no further cards should be distributed from this point forward with the Kinney Drug information on the back. I could go along with this but strongly feel that new cards should be issued for all.

Laura Shawley, Town of Danby

3??

I felt the same about the Kinney's promotion on the prescription card. But I asked around and got only two responses.

1. No problem
2. One person took her prescription to Kinney's because the card said Kinneys (and Kinney's is around the corner from town hall) But the drug she needed, which she said is a common one, was on back order. So she went to Rite Aid, as she usually does, they filled the prescription without any delay. But she did have a question about the price. She's going to contact ProAct.

Bottom line: I, personally would prefer not to have the Kinney's promotion on my card. But no one else seems to mind.

Mary Ann Sumner, Town of Dryden, Town of Danby

Additional Comments:

Regarding Don's concern about the advertising on the back, I would only say that it is exactly (and, in my opinion, ONLY) this type of public-private cooperation that has any chance of allowing for meaningful long term savings. Upward pricing pressure is a fact of life in health care so our best chance to mitigate that in any way is through relationships with private sector companies who have the ability to accommodate our efforts to slow the rate of increase in pricing. The most effective way for a company to do that is through a diversified revenue stream. As long as employees are made fully aware that they can choose any pharmacy they want, I have no problem with Pro-Act soft-peddling their own option.

Rordan Hart, Trumansburg

Judy Drake and I have spoken and suggest a compromise: that the cards continue to be used for this year (with additional outreach to clarify that one need not use Kinney Drugs), but that new cards be designed for 2014 that would emphasize Pro-Act and minimize the name of Kinney Drugs. Perhaps Pro-Act could be in large type on the card and in small type at the bottom it could say something like "Pro-Act is a subsidiary of Kinney Drugs." The Consortium should approve the new card design in advance.

Now for a personal rant: as a public consortium we should attempt to encourage good business practices. It is not good business practice to try to get additional business by deceiving the participants in the plan. A card that emphasizes the name of the drug company instead of the plan does just that. Almost every day we see companies trying to add additional charges and other changes without public notice to attempt to maximize profits. As a consortium we should use our collective influence to demand transparency and fairness, not subtle and not-so-subtle business manipulation. OK – end of rant.

Herbert J. Engman
Town of Ithaca Supervisor

Not Board Members:

Most of my concerns I have talked to Laura about and I am sure she will inform you. I do believe the concerns are more than you cover in your options. Dropped coverage would be high on my list .

Ric Dietrich, Town of Danby

I am in support of leaving the situation as it is, and handling the questions & concerns as they arise. I would support ProAct sending a letter to subscribers clarifying this matter. I don't see any need to issue new ID cards, but would like to see future cards issued without the Kinney Drug "advertisement".

Sharon B. Bowman, Town of Lansing



August 20, 2012

RE: Patient Protection and Affordable Care Act and your Pharmacy Benefit Plans

On March 23, 2010, Congress enacted the Patient Protection and Affordable Care Act ("PPACA"). PPACA requires that insurers and plan sponsors modify their health plans to comply with significant new insurance market reforms, many of which are effective for plan years beginning on or after September 23, 2010.

Depending on your plan's grandfathered status, there may be changes made to your plan. These changes will include updates to preventive care and clinical appeals as well as communications to your members. The attached document contains a summary of the items that ProAct, Inc. is providing for PPACA compliance with these requirements. **ProAct, Inc. strongly encourages you to consult with experienced counsel to determine whether your plan(s) so qualify, as well as the legal and other implications of such qualification or failure to qualify.**

After you review the attached **Pharmacy Benefit Implementation Checklist** and the attached member communications based on the choices you made on the checklist with your plan's consultant and/or legal counsel, please return the checklist to my attention by email, mail or fax as soon as possible. Implementation of your requested items should occur approximately sixty (60) days following receipt of your completed checklist.

Until you respond to the **Pharmacy Benefit Implementation Checklist**, ProAct, Inc. will administer the pharmacy benefit for your plan(s) based on the current selection/setup. **Your response is extremely important**; by not advising on how to administer the pharmacy benefit your plan may not be compliant with PPACA regulations.

Should you have any questions regarding this correspondence, please feel free to contact me at (315) 287-3652 x-3630 or by email at zoebaker@proactrx.com. We appreciate your prompt attention to this very important issue.

Sincerely,

Zoe A. Baker
Account Manager

Rx Contraceptive Category	COVERED LABEL NAMES
Oral - progestin only	ERRIN TAB 0.35MG, CAMILA TAB 0.35MG, NORA-BE TAB 0.35MG, JOLIVETTE TAB 0.35MG, HEATHER TAB 0.35MG, NORETHINDRON TAB 0.35MG
Oral - estrogen/progestin combination	GIANVI TAB 3-0.02MG, LORYNA TAB 3-0.02MG
Oral - estrogen/progestin combination	OCELLA TAB 3-0.03MG, SYEDA TAB 3-0.03MG, ZARAH TAB
Oral - estrogen/progestin combination	CYCLAFEM TAB 1/35, ALYACEN TAB 1/35, NORTREL TAB 1/35, NECON TAB 1/35
Oral - estrogen/progestin combination	MONONESSA TAB, PREVIFEM TAB, SPRINTec 28 TAB 28 DAY, NORGESTIMATE & ETHINYL ESTRADIOL TAB 0.25 MG-35 MCG
Oral - estrogen/progestin combination	CYCLAFEM TAB 7/7/7, ALYACEN TAB 7/7/7, NORTREL TAB 7/7/7, NECON TAB 7/7/7
Oral - estrogen/progestin combination	APRI TAB, EMOQUETTE TAB, RECLIPSEN TAB, SOLIA TAB
Oral - estrogen/progestin combination	PORTIA-28 TAB, ALTAVERA TAB, LEVORA-28 TAB 0.15/30, MARLISSA TAB 0.15/30
Oral - estrogen/progestin combination	BALZIVA TAB, PHILITH TAB 0.4-35, ZENCHENT TAB, BRIELLYN TAB
Oral - estrogen/progestin combination	NORTREL 28 TAB 0.5/35, NECON TAB 0.5/35
Oral - estrogen/progestin combination	JUNEL 1/20 TAB, MICROGESTIN TAB 1/20
Oral - estrogen/progestin combination	JUNEL 1.5/30 TAB, MICROGESTIN TAB 1.5/30
Oral - estrogen/progestin combination	NECON 1/50-28 TAB
Oral - estrogen/progestin combination	CRYSSELLE-28 TAB, LOW-OGESTREL TAB, NORGESTREL/ETHINYL ESTRADIOL TAB
Oral - estrogen/progestin combination	JUNEL FE TAB 1/20, GILDESS FE TAB 1/20, MICROGESTIN TAB FE 1/20
Oral - estrogen/progestin combination	JUNEL FE TAB 1.5/30, MICROGESTIN TAB FE 1.5/30
Oral - estrogen/progestin combination	VELIVET PAK, CAZIAN T PAK, CESIA PAK
Oral - estrogen/progestin combination	ARANELLE TAB, LEENA TAB
Oral - estrogen/progestin combination	TRI-SPRINTec TAB, TRI-PREVIFEM TAB, TRINESSA TAB, NORGESTIMATE/ETHINYL ESTRADIOL TAB
Oral - estrogen/progestin combination	TRI-LEGEST FE TAB, TILIA FE TAB
Oral - estrogen/progestin combination	KARIVA TAB, AZURETTE TAB, VIORELE TAB
Oral - estrogen/progestin combination	KELNOR 1/35 TAB, ZOVIA 1/35E TAB
Oral - estrogen/progestin combination	ZOVIA 1/50E TAB
Oral - estrogen/progestin combination	LESSINA-28 TAB, AVIANE TAB, ORSYTHIA TAB, LUTERA TAB, SRONYX TAB
Oral - estrogen/progestin combination	OGESTREL TAB
Oral - estrogen/progestin combination	NECON TAB 10/11-28
Oral - estrogen/progestin combination	ENPRESSE-28 TAB, TRIVORA-28 TAB, MYZILRA TAB
Oral Chewable - estrogen/progestin combination	ZEOSA CHW, ZENCHENT FE CHW 0.4MG-35, WYMZYA FE CHW 0.4MG-35
Oral - Extended Cycle -estrogen/progestin combination	CAMRESE LO TAB, AMETHIA LO TAB, LEVONORGESTREL AND ETHINYL ESTRADIOL TAB
Oral - Extended Cycle -estrogen/progestin combination	JOLESSA TAB, INTROVALE TAB, QUASENSE TAB
Oral - Extended Cycle -estrogen/progestin combination	CAMRESE TAB, AMETHIA TAB

Oral - Continuous cycle -estrogen/progestin combination	AMETHYST 90-20MCG TAB
Vaginal - estrogen/progestin combination	NUVARING MIS
Emergency Contraceptive	NEXT CHOICE TAB 0.75MG, LEVONORGESTR TAB 0.75MG
Emergency Contraceptive	NEXT CHOICE TAB 1.5MG
Emergency Contraceptive	ELLA 30MG TAB
Rx Barrier (nonhormonal) - Cervical Cap	PRENTIF MIS 22MM
Rx Barrier (nonhormonal) - Cervical Cap	PRENTIF MIS 25MM
Rx Barrier (nonhormonal) - Cervical Cap	PRENTIF MIS 28MM
Rx Barrier (nonhormonal) - Cervical Cap	PRENTIF MIS 31MM
Rx Barrier (nonhormonal) - Cervical Cap	PRENTIF MIS FITTING
Rx Barrier (nonhormonal) - Diaphragm	OMNIFLEX DPR
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLEX DPR 65MM
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLEX DPR 70MM
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLEX DPR 75MM
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLEX DPR 80MM
Rx Barrier (nonhormonal) - Diaphragm	ORTHO COIL DPR KIT 50
Rx Barrier (nonhormonal) - Diaphragm	ORTHO COIL DPR KIT 100
Rx Barrier (nonhormonal) - Diaphragm	ORTHO COIL DPR KIT 105
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 55
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 60
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 65
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 70
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 75
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 80
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 85
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 90
Rx Barrier (nonhormonal) - Diaphragm	ORTHO FLAT DPR KIT 95
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 60
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 65
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 70
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 75
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 80
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 85
Rx Barrier (nonhormonal) - Diaphragm	WIDE-SEAL DPR KIT 90

Rx Barrier (nonhormonal) - Diaphragm

Injectable progestin

Injectable progestin

WIDE-SEAL DPR KIT 95

MEDROXYPR AC INJ 150MG/ML

DEPO-SQ PROV INJ 104

[illegible]

[illegible]

Single Source Brand	1		MQPP	Gender Edit. Diaphragms. Exclude coverage for males.
Generic	1	84	PQE	Gender Edit. Depo Injections. Exclude coverage for males
Single Source Brand	0.65	84	PQE	Gender Edit. Depo Injections. Exclude coverage for males



Pharmacy Benefits Implementation Checklist

ProAct Client: _____

Commencement Date for Plan Year: _____

Grandfathered Status:

- ☐ Grandfathered
- ☐ Non-Grandfathered

Specific to Health Reform Legislation (Non-Grandfathered Plans)

Preventive Care Drugs:

- ☐ Use the ProAct, Inc. Preventive Medication List and add both the prescription and OTC drugs to plan coverage with \$0 copay.
- ☐ Use the ProAct, Inc. Preventive Medication List and add only prescription drugs to plan coverage with \$0 copay.
- ☐ Use the list provided by my plan to cover the Preventive Care Drugs.
- ☐ Continue benefits as currently provided.

Women's Health:

- ☐ Use the ProAct, Inc. Contraceptive List and add both the prescription and OTC drugs to plan coverage with \$0 copay.
- ☐ Use the ProAct, Inc. Contraceptive List and add only prescription drugs to plan coverage with \$0 copay.
- ☐ Exclude contraceptives from plan coverage.
- ☐ Continue benefits as currently provided.

Manual Claims Adverse Determination Letter:

- ☐ Use the Proact, Inc. letter to respond to my plan's members.
- ☐ Use the letters plan has provided to send to my plan's members.
- ☐ ProAct, Inc. does not process my plan's manual claims.

Appeals from Prior Authorizations:

- ☐ My plan would like ProAct, Inc. to manage only the Prior Authorization Internal Appeals process for the plan. Internal appeals will result in an additional charge of \$150 per appeal.
- ☐ My plan would like ProAct to manage only the Prior Authorization External Appeals process for the plan. External appeals will result in an additional charge of \$550 per appeal.
- ☐ My plan would like ProAct to manage the Prior Authorization Appeals process including internal and external appeals for the plan. Internal appeals will result in an additional charge of \$150 per appeal; external appeals will result in an additional charge of \$550 per appeal.
- ☐ My plan will handle both internal and external appeals through its own process.

Signature: _____ Date: _____

Print Name of Signatory: _____

Title of Signatory: _____